



We are examining your **HEAD OF HOUSEHOLD FILING STATUS** for tax year 1998. The head of household (HOH) filing status is frequently misunderstood. Each year over 50,000 California taxpayers who claim the status do not qualify.

On page 3, please complete audit letter boxes A and B. Did someone other than the person listed in box B also live with you? If yes, also complete box C. If you need more space to answer any of the questions, use a separate sheet of paper and return it with the audit letter.

If you share custody of your qualifying person, attach a copy of your custody agreement.

We may need more information from you to determine if you qualify for the head of household filing status. In the space provided at the bottom of the audit letter, please provide a telephone number and the best time we can reach you there between 6:30 a.m. and 7 p.m., Monday through Friday.

Page 2 contains information on the 1998 requirements for the head of household filing status. Pages 5 and 6 include answers to questions most frequently asked about the head of household filing status.

It is important that you return the completed, signed and dated head of household audit letter (page 3) in the enclosed envelope *within 20 calendar days from the date this letter was mailed*. If you do not, we will deny your head of household filing status, assess additional tax, and impose a penalty of 25 percent of the additional tax assessed.

Please keep a copy of your completed audit letter for your records.

If you move or you change your name during the year, please notify the Franchise Tax Board at the address shown at the top of this page.

Our Taxpayer Service Center is available to answer any questions you may have about this letter. Refer to page 4 for our telephone numbers.

Para recibir los requisitos de cabeza de familia e instrucciones para completar esta carta linea por linea, por favor de ver la pagina cuatro para numeros de telefono.

HEAD OF HOUSEHOLD REQUIREMENTS FOR 1998

I. **IF UNMARRIED**, you qualified for the head of household filing status if you met **ALL** of the following requirements:

A. One of the following applies:

- On the last day of **1998**, you were 1. Single, or 2. Divorced by a final judgment of dissolution, or 3. Legally separated by a final decree of legal separation or of separate maintenance. A final decree of legal separation or of separate maintenance is not the same as an informal separation agreement, a petition for dissolution of marriage, or living apart. Or,
- Your marriage was annulled by a court of law and you did not marry after the annulment.

B. You furnished more than half the cost of keeping up a home which was your principal residence during **1998** and for more than half of **1998** was the main home of a qualifying person. (See Temporary Absences below.)

In determining if your home was a qualifying person's main home for more than half of **1998**, do **NOT** include **ANY** time your child, stepchild, or adopted child was in the custody of another person under either a formal or informal custody agreement. Include only half of the time during which you, your spouse, and your qualifying person lived together and include **all** of the time that you and that person lived together in your home when your spouse did not live there.

If your father or mother was an individual whom you could claim as a dependent, and you furnished more than half the cost of keeping up your parent's household for all of **1998**, you may still qualify for the head of household filing status even if he or she did not live with you.

C. The person you believe qualified you was one of the following:

1. Your **DEPENDENT** child, stepchild, grandchild, brother, sister, parent, stepparent, grandparent, stepbrother, stepsister, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, OR sister-in-law, whom you could claim as a dependent; OR your **DEPENDENT** uncle, aunt, nephew, or niece, who is related to you by blood, whom you could claim as a **DEPENDENT**. **The QUALIFYING DEPENDENT must be related to you.**

If any person listed above was considered your **DEPENDENT** because of a multiple support agreement under the Internal Revenue Code, he or she does not qualify you for the head of household filing status.

2. Your unmarried child, grandchild, adopted child, or stepchild, even though such child was not your **DEPENDENT**.
3. Your foster child whom you could claim as a **DEPENDENT** and who lived with you during all of **1998**. A foster child is a child who is in the care of someone (other than the child's parents or adopted parents) who cares for the child as his or her own child. The foster relationship with the individual must have begun while the individual was a minor. The child of a person with whom you lived was not your foster child, even if the child lived with you all year, because the child was in the care of his or her parent.

OR

II. **IF MARRIED**, you qualified for the head of household filing status if you met **ALL** of the following requirements:

A. You did not live with your spouse at any time during the last six months of **1998**. (See Temporary Absences below.)

B. You furnished more than half the cost of keeping up a home that was your principal residence during **1998** and for more than half of **1998** was the main home of a qualifying person. (See Temporary Absences below.)

In determining if your home was a qualifying person's main home for more than half of **1998**, do **NOT** include **ANY** time your child, stepchild, or adopted child was in the custody of another person under either a formal or informal custody agreement. Include only half of the time during which you, your spouse, and your qualifying person lived together and include **all** of the time that you and that person lived together in your home when your spouse did not live there.

C. The person you believe qualified you was one of the following:

1. Your **DEPENDENT** child, adopted child, or stepchild whom you could claim as a dependent.
2. Your foster child whom you could claim as a dependent and who lived with you during all of **1998**. A foster child is a child who is in the care of someone (other than the child's parents or adopted parents) who cares for the child as his or her own child. The foster relationship with the individual must have begun while the individual was a minor. The child of a person with whom you lived was not your foster child even if the child lived with you all year, because the child was in the care of his or her parent.

TEMPORARY ABSENCES

When determining the time your spouse, child or relative actually lived with you, include absences for vacation, illness, business, school, or military service. **DO NOT include ANY time your child was in the custody of another person** under either a formal or informal custody agreement.

For additional assistance, please see page 4.



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
 PO BOX 942840 8
 SACRAMENTO CA 94240-5340

98

Please **PROVIDE THE INFORMATION REQUESTED IN BOXES A, B, AND C BELOW** and return this letter **WITHIN 20 CALENDAR DAYS FROM THE DATE THIS LETTER WAS MAILED**. If we do not receive your response within 20 calendar days from the date this letter was mailed, we will deny the filing status, assess additional tax, and impose a penalty of 25 percent of the additional tax assessed.

IN 1998 YOUR MARITAL STATUS WAS:

CHECK ONE: (Fill in the dates if required)

- (1) ☐ Single, **NEVER** married prior to 1/1/99.
- (2) ☐ Legally married. **DID NOT LIVE** with your spouse at any time in 1998.
- (3) ☐ Legally married and lived with your spouse during 1998. Indicate dates you **LIVED WITH** your spouse during 1998.
 From ____/____/98 To ____/____/98
 MO DAY YR MO DAY YR
- (4) ☐ Divorced or legally separated. **DATE** of final decree or judgment. ____/____/____. If you lived with your spouse during 1998, indicate the dates you **LIVED TOGETHER**. From ____/____/98 To ____/____/98
 MO DAY YR MO DAY YR
- (5) ☐ Annulled marriage. **DATE** of final decree or judgment. ____/____/____
 MO DAY YR
- (6) ☐ Widow(er). **DATE** of your spouse's death. ____/____/____
 MO DAY YR

WHO IS THE PERSON THAT YOU BELIEVE QUALIFIED YOU FOR THE HEAD OF HOUSEHOLD FILING STATUS FOR 1998?

Read I.C. and H.C. on page 2 for the requirements for a qualifying person.

- (7) Name _____
(Do not list yourself, spouse, or tax preparer)
- (8) Social Security Number _____
- (9) Relationship _____ (10) Age on 12/31/98 _____
- (11) Did this person live with you all of 1998? ☐ Yes ☐ No
- (12) If no, list the beginning and ending dates of each period that the person lived with you during the year:
 From ____/____/98 To ____/____/98
 From ____/____/98 To ____/____/98
 From ____/____/98 To ____/____/98
- (13) Were you entitled to claim this person as your dependent for 1998? ☐ Yes ☐ No
- (14) If no, explain _____
- (15) Was this person married in 1998? ☐ Yes ☐ No
- (16) If yes, did this person file a joint return with his or her spouse for 1998? ☐ Yes ☐ No
- If you need more space to answer questions, please attach a separate sheet of paper showing your responses.
- If you share custody of your qualifying person, attach a copy of your custody agreement.
- Continue to the column on the right.

IN 1998, DID ANY OTHER PERSON LIVE WITH YOU? IF YES, COMPLETE THE BOXES BELOW.

(17) Name	(18) Social Security Number	(19) Relationship	(20) Dependent <input type="checkbox"/> Yes <input type="checkbox"/> No	(21) AGE	(22) Periods
Name	Social Security Number	Relationship	Dependent <input type="checkbox"/> Yes <input type="checkbox"/> No	AGE	Periods

Please provide a telephone number and the best time we can reach you between 6:30 a.m. and 7 p.m. Monday through Friday, if we need more information.

Social Security Number

Time _____

Telephone Number (_____) _____
(Area Code) (Number) (Extension)

I declare under penalty of perjury that the above statements are true and correct to the best of my knowledge and belief.

SIGNED _____ DATE _____

ADDITIONAL ASSISTANCE

To receive head of household requirements, line-by-line instructions for completing this audit letter, or to order FTB Publication 1540, California Head of Household Filing Status, (para recibir los requisitos de cabeza de familia e instrucciones para completar esta carta linea por linea, para ordenar Publicacion 1540, El Estado Civil de Cabeza de Familia),

From within the United States, call (Dentro de los Estados Unidos, llame).....(800)-555-4005

From outside the United States, call (Fuera de los Estados Unidos, llame) **(NOT toll free)**...(916)-845-6600

TELEPHONE SERVICE

Telephone service is available:

- From the first working day in January through April 15, Monday through Friday, from 6 a.m. until Midnight
 - Service is also available from 8 a.m. until 5 p.m. on the two Saturdays prior to April 15.
 - From the first working day after April 15 through December 31, Monday through Friday from 7 a.m. until 8 p.m.
- The best times to call are between 7 a.m. and 10 a.m. and between 6 p.m. and 8 p.m.

From within the United States, call(800)-852-5711
Select option 5 to speak with a representative

From outside the United States, call **(NOT toll-free)**(916)-845-6500
Select option 5 to speak with a representative

For hearing impaired with TDD, call.....(800)-822-6268

ASISTENCIA BILINGÜE EN ESPAÑOL

Para servicio en español para obtener información sobre impuestos o formularios, llame al número de teléfono (anotado arriba) que le corresponde.

Taxpayer information is available as provided by the Information Privacy Act. See form FTB 1131 for more information.

For more tax information visit our Internet Site: www.ftb.ca.gov



Frequently Asked Questions Regarding Head of Household

Taxpayers often have questions about head of household filing status. This form answers the most frequently asked questions. Even if you determine that you do not qualify for the head of household filing status, be sure to answer and **return the audit letter within 20 calendar days from the date the audit letter was mailed** to avoid a penalty for failing to provide the information requested.

Q: Why does the Franchise Tax Board use the head of household audit letter?

A: Individuals often use the head of household filing status in error because they don't fully understand the requirements. The completed head of household audit letter is used to verify an individual's correct filing status.

Q: Why do I receive a head of household audit letter every year?

A: You will receive an audit letter if we denied your head of household filing status for the previous year or you did not return the previous year's audit letter within 20 calendar days from the date the audit letter was mailed.

Q: What if I don't respond to the head of household audit letter?

A: If you do not respond to the audit letter within 20 calendar days of the date the audit letter was mailed, we will deny your head of household filing status and issue you a Notice of Proposed Assessment for additional tax and interest. We will also impose a penalty of 25 percent of the additional tax for your failure to provide the information. Interest on the additional tax is calculated from the original due date of your tax return to the day of payment.

Q: Must I complete all boxes on the audit letter?

A: You must always complete boxes A and B. You must complete box C only if someone other than the person listed in box B also lived with you.

Q: Why do you want to know my marital status?

A: Your marital status is a factor in determining if you qualify for the head of household filing status.

Q: Who is a qualifying person?

A: A qualifying person is one who qualifies you for the head of household filing status. (See sections I.C. and II.C. on page 2 for specific requirements.) You may not claim yourself, your spouse, or your tax preparer as your qualifying person.

Q: I lived with my girlfriend and her child during the year. May I consider the child as my stepchild and claim the head of household filing status using the child as my qualifying person?

A: No. A stepchild is the child of your husband or wife. Because you were never married to the child's parent, the child was not your stepchild, and the child cannot qualify you for the head of household filing status.

Q: I lived with another person whose child lived with us. May I claim head of household using the child as my qualifying person?

A: No. Because the child lived with and was cared for by his or her parent, the child cannot qualify you (the non-parent) for the head of household filing status.

Q: Can my child qualify both me and my child's other parent for the head of household filing status?

A: No. A child can qualify only one parent for the head of household filing status, and that parent must meet all of the head of household requirements. (See page 2 for additional information.)

- Q: I am divorced. My ex-spouse and I lived apart and shared equal custody of our child, who lived with each of us for 50 percent of the year. Can I claim the head of household filing status?**
- A:** No. To claim the head of household filing status, your child must have lived with you for MORE THAN 50 percent of the tax year. However, you may qualify for the Credit for Joint Custody Head of Household. See page 35 of the California Resident Personal Income Tax booklet for 1998 to help you understand if you qualify for the Credit for Joint Custody Head of Household.
- Q: I am the head of my household, married, and lived with my wife and children all year. I provide the only support for my family and my wife does not work. Can I claim the head of household filing status?**
- A:** No. You must claim the Married Filing Joint filing status or the Married Filing Separate filing status. To claim the head of household filing status, you must be unmarried or "considered unmarried." To be "considered unmarried," you cannot have lived with your spouse at any time during the last six months of the year. See FTB Publication 1540, California Head of Household Filing Status Information.
- Q: My husband and I separated during the year. Our son lived with me after we separated. I want to use the head of household filing status. In figuring the number of days our son lived with me, can I include the time he lived with my husband and me before we separated?**
- A:** You can only include half of the time during which you, your spouse, and your son lived together, but include all of the time that you and your son lived together in your home when your spouse did not live there. In determining if your home was your son's main home for more than half of the year, do NOT include any time your son was in the custody of another person under either a formal or informal custody agreement.
- Q: I pay more than half of my parent's support, but my parent does not live in the United States. Can my parent qualify me for the head of household filing status?**
- A:** To qualify you for the head of household filing status, your parent must be a United States citizen, resident or national, or be a resident of Mexico or Canada. All the requirements for you to claim your parent as your dependent must be met, and you must meet all of the other requirements for head of household filing status. See FTB Publication 1540 for more information.
- A United States national is defined for federal purposes as an individual who, although not a United States citizen, owes his or her allegiance to the United States. United States nationals include American Samoans and Northern Mariana Islanders who chose to become United States nationals instead of United States citizens (IRS Publication 519, U.S. Tax Guide for Aliens).
- If you are unsure whether your parent is a United States national, please contact your local Immigration and Naturalization Service office.
- Q: What if I now realize that I do not qualify for the head of household filing status?**
- A:** Complete the audit letter, indicate that you believe you do not qualify to use the head of household filing status, and return the audit letter within 20 calendar days from the date the audit letter was mailed. When we receive your response, we will review the information you provide. Then, we will do one of two things: (1) notify you that you qualify for head of household filing status or (2) deny the head of household filing status, recalculate your tax and mail you a Notice of Proposed Assessment showing the additional tax and interest. If we do not receive your response within 20 calendar days from the date the audit letter was mailed, we will deny the head of household filing status, recalculate your tax and mail you a Notice of Proposed Assessment showing the additional tax and interest. And, we will include a penalty of 25 percent of the additional tax for your failure to furnish the information. Interest on the additional tax amount is calculated from the original due date of your tax return to the date of payment.
- Q: What should I do if I still have questions?**
- A:** Read page 2 for more information. Page 4 provides several sources of assistance.